



# Application for Transfer of Michigan Public School Service

## INSTRUCTIONS

As a State Employees Retirement System Defined Benefit member, you may receive retirement credit for all years you worked for a Michigan Public School and were a member of the Michigan Public School Employees Retirement System.

If you did not receive a refund of your pre-July 1, 1977 contributions when you left the Michigan Public School Employees Retirement System, you may request that your contributions and service be transferred to the State Employees Retirement System. You will receive retirement credit at no additional cost.

If your Michigan public school service was performed during the noncontributory period (when no personal contributions were required) or under the Basic Plan or Member Investment Plan (MIP), you will receive retirement credit at no cost.

If you received a refund of pre-July 1, 1977 contributions, you must repay your refunded amount plus compound interest in order to receive retirement credit. The Office of Retirement Services (ORS) will send you a billing statement indicating the cost to repay your refund so you can receive retirement credit for this public school service.

If you were a participant in MIP, your pre-tax MIP contributions, as well as accumulated interest, are refundable to you. A refund application will be provided to you that will include options to roll-over your MIP contributions to a

qualified plan or Individual Retirement Account (IRA).

If you choose to have your MIP pre-tax contributions refunded directly to you from the Retirement System, you will receive 80% of the refundable amount. ORS is required to withhold 20% of the total and send it to the Internal Revenue Service (IRS) as income tax withholding to be credited against your tax liability. Your pre-tax refund will be taxed in the current year unless you choose the rollover option.

You may be able to use special tax rules that could reduce the tax you owe. However, if you receive the refund before age 59 1/2, you may also have to pay an additional 10% tax as penalty for early withdrawal. Contact the IRS for additional information.

To apply to transfer your Michigan public school credit, complete this application and submit it to ORS. If you need additional space to detail your service, attach a separate sheet to this form. If you have questions after reading the information on this application, please call ORS in Lansing at 517-322-5103 or toll-free at 800-381-5111.

If you transfer your contributions from the Michigan Public School Employees Retirement System to the State Employees Retirement System and later terminate your State of Michigan service before you are eligible to begin receiving monthly benefits, you can submit a Refund Application to ORS.